

# **Hawke's Bay Power Consumers' Trust**

## **CHAIRMAN'S REPORT and FINANCIAL STATEMENTS of the Trust**

**For the year ended  
31 March 2025**

<b>TRUSTEES</b> <b>K Westwood</b> <b>B Arnott</b> <b>J Farnworth</b> <b>D Pearson</b> <b>C Waterhouse</b>
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# **HAWKE'S BAY POWER CONSUMERS' TRUST**

## **DIRECTORY**

### **Trust's Office:**

c/- Brown Webb Richardson Ltd  
111 Avenue Road East  
Hastings

Phone: (06) 873 8037  
Email: [hbpct@bwr.co.nz](mailto:hbpct@bwr.co.nz)

### **Trustees:**

Kirsten Westwood (Chair)  
Barbara Arnott  
David Pearson  
Jeff Farnworth  
Craig Waterhouse

### **Secretary and Accountant:**

Stephen Dine

### **Bankers:**

Westpac - Hastings

## TRUSTEES' REPORT

On the operations and financial affairs of the

**HAWKE'S BAY POWER CONSUMERS' TRUST**  
For the year ended 31 March 2025

### ANNUAL REPORT TO CONSUMERS

#### THE TRUST

All of the shares in Unison Networks Limited are held by the Hawke's Bay Power Consumers' Trust on behalf of consumers who are connected to Unison's network in Hawke's Bay.

As the Trust is the majority shareholder, the Trustees are required to prepare a statement, for inclusion in Unison's annual report, commenting on the Company's compliance with the Statement of Corporate Intent.

#### THE 2025 STATEMENT OF CORPORATE INTENT

##### Vision Statement

*Leading a sustainable energy future to support consumers' changing energy needs, while enabling our communities to prosper for generations to come.*

**Compliance:** *The trading results for 2024-2025 reflect a modest decline in profitability compared to the prior year. Most of Unison's businesses performed strongly, particularly the regulated lines business, which continued to deliver reliable service and operational efficiency. Profitability was impacted by lower earnings from the transformer business – primarily due to reduced sales volumes and higher input costs – as well as the prior year's disposal of Unison Fibre. These were partially offset by insurance income. Group revenue rose to \$371 million (from \$360 million), while operating expenditure increased to \$263 million. Profit after tax was \$30 million, slightly up from the \$29 million in the prior year, primarily reflecting a lower income tax expense. Operating cash flow increased by \$12 million to \$79.6 million, reflecting solid cash returns from core operations.*

*Shareholders' funds showed an increase of \$9 million, increasing to \$530 million.*

##### Ratio of Consolidated Shareholders' Funds to Total Assets

- The minimum target ratio of consolidated shareholders' funds to total assets is set at not less than 40%.
- Target goal for 2025 – 47%

**Compliance:** *The minimum target ratio was achieved and the target goal was slightly behind. The actual ratio was 46%.*

## Performance Targets

**Unison's 2025 Statement of Corporate Intent sets targets for both financial and network performance.**

**Compliance:** *The Company fell slightly behind its financial performance targets but achieved its network performance targets. The Trustees are satisfied with the financial results and the network performance.*

	<b>Statement of Corporate Intent</b>	
	<b>2025 Targets</b>	<b>Actual Results 2025</b>
<b>FINANCIAL</b>		
<i>Earnings before interest, taxation, depreciation, amortisation and financial instruments as a percentage of average assets employed</i>	10.10%	9.50%
Earnings before interest and taxation as a percentage of average assets employed	6.20%	5.60%
Total line operating costs per consumer	\$433	\$416

	<b>Statement of Corporate Intent</b>	
	<b>2025 Targets</b>	<b>Actual Results 2025</b>
<b>NETWORK PERFORMANCE</b>		
SAIDI – System Average Interruption Index (Minutes)	<66.62	54.45
7SAIFI – System Average Interruption Frequency Index	<1.439	1.271
<b>HEALTH AND SAFETY PERFORMANCE</b>		
· Injuries relating to critical risk	Nil	1
· Number of Public Accidents	Nil	Nil

## COMPLIANCE WITH OTHER MATTERS

The Statement of Corporate Intent also details matters relating to the Company's scope of activities, dividend distributions, accounting policies, information to be provided to shareholders and administrative matters relating to procedures and communications with the Trust, as the sole shareholder. We are satisfied that in all these matters the Company has complied with the Statement of Corporate Intent.

## SUMMARY

Overall the Trustees believe that the Company's 2024-25 results are solid, given what continues to be a challenging operating environment.

## KIRSTEN WESTWOOD CHAIR

On behalf of the Trustees – Barbara Arnott, David Pearson, Jeff Farnworth and Craig Waterhouse

# Income Statement

## Hawke's Bay Power Consumers' Trust For the year ended 31 March 2025

	NOTES	2025	2024
<b>Income</b>			
Dividends Received	6	17,250,000	15,805,325
Interest Received		391,635	324,502
<b>Total Income</b>		<b>17,641,635</b>	<b>16,129,827</b>
<b>Expenses</b>			
<b>Cash Expenses</b>			
Advertising		7,143	12,918
Audit Fees		35,934	28,537
Consultancy Fees		7,374	-
Director Recruitment		-	9,306
Distribution Expenses		224,842	231,379
Election Fee		165,579	-
General Expenses		17,004	18,342
Insurance		10,758	10,148
Legal Expenses		16,804	10,638
Ownership Review		-	74,650
Public Relations		1,760	5,984
Secretarial & Accountancy Fees		51,060	51,060
Trustees Expenses		4,642	763
Trustees Remuneration		140,228	139,997
Website Hosting & Design		8,481	5,671
<b>Total Cash Expenses</b>		<b>691,608</b>	<b>599,391</b>
<b>Total Expenses</b>		<b>691,608</b>	<b>599,391</b>
<b>Net Income before Tax</b>		<b>16,950,027</b>	<b>15,530,435</b>
<b>Net Income for the Year</b>		<b>16,950,027</b>	<b>15,530,435</b>

### Statement of Comprehensive Income

For the year ended 31 March 2025

	NOTES	2025	2024
<b>Statement of Comprehensive Income</b>			
Net Income for the year		16,950,027	15,530,435
<b>Other Comprehensive Income</b>			
Other Comprehensive Income for the year		-	-
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>16,950,027</b>	<b>15,530,435</b>

This Statement is to be read in conjunction with the accompanying Notes.

# Statement of Movements in Equity

## Hawke's Bay Power Consumers' Trust For the year ended 31 March 2025

	2025	2024
<b>Equity</b>		
<b>Credits for the year</b>		
Net Income For the Year	16,950,027	15,530,435
Distribution Over-provided & Unclaimed Money	272,523	436,094
<b>Total Credits for the year</b>	<b>17,222,550</b>	<b>15,966,529</b>
<b>Debits for the year:</b>		
Previous Distribution Payments Presented	-	(9,750)
Distribution to Owners	(17,436,027)	(15,998,648)
<b>Total Debits for the year:</b>	<b>(17,436,027)</b>	<b>(16,008,398)</b>
<b>Opening Credit Balance</b>		
Retained Earnings	1,836,318	1,878,186
Trust Capital	65,000,000	65,000,000
<b>Total Opening Credit Balance</b>	<b>66,836,318</b>	<b>66,878,186</b>
<b>Total Equity</b>	<b>66,622,841</b>	<b>66,836,318</b>

This Statement is to be read in conjunction with the accompanying Notes.

# Balance Sheet

## Hawke's Bay Power Consumers' Trust As at 31 March 2025

	NOTES	31 MAR 2025	31 MAR 2024
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents		3,275,511	3,158,231
Accounts Receivables		3,792	3,792
Interest Accrued		3,607	24,493
Payments in Advance		10,413	9,757
<b>Total Current Assets</b>		<b>3,293,323</b>	<b>3,196,273</b>
<b>Non-Current Assets</b>			
<b>Unison Networks Limited</b>			
Shares Held		64,000,000	64,000,000
<b>Total Unison Networks Limited</b>		<b>64,000,000</b>	<b>64,000,000</b>
<b>Total Non-Current Assets</b>		<b>64,000,000</b>	<b>64,000,000</b>
<b>Total Assets</b>		<b>67,293,323</b>	<b>67,196,273</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable		53,275	72,093
Provision for Distribution		617,207	287,863
<b>Total Current Liabilities</b>		<b>670,482</b>	<b>359,956</b>
<b>Total Liabilities</b>		<b>670,482</b>	<b>359,956</b>
<b>Excess Assets Over Liabilities</b>		<b>66,622,841</b>	<b>66,836,318</b>
<b>Equity</b>			
Retained Earnings	9	1,622,841	1,836,318
Trust Capital		65,000,000	65,000,000
<b>Total Equity</b>		<b>66,622,841</b>	<b>66,836,318</b>

For an on behalf of Trustees



Trustee



Trustee

Date 28 July 2025

This Statement is to be read in conjunction with the accompanying Notes.

# Cash Flow Statement

## Hawke's Bay Power Consumers' Trust For the year ended 31 March 2025

	2025	2024
<b>Cash Flows from Operating Activities</b>		
<b>Cash was provided from:</b>		
Dividends Received	17,250,000	15,805,325
Interest Received	412,523	324,502
<b>Total Cash was provided from:</b>	<b>17,662,523</b>	<b>16,129,827</b>
<b>Cash was disbursed to:</b>		
Expenses Paid	(711,082)	(599,391)
<b>Total Cash was disbursed to:</b>	<b>(711,082)</b>	<b>(599,391)</b>
<b>Net Cash Flow from Operations</b>	<b>16,951,441</b>	<b>15,530,435</b>
<b>Cash Flows From Financing Activities</b>		
<b>Cash was disbursed to:</b>		
Distributions Paid	(16,834,162)	(15,711,616)
Payments in Advance	-	(9,757)
<b>Total Cash was disbursed to:</b>	<b>(16,834,162)</b>	<b>(15,721,373)</b>
<b>Net Cash Flow from Financing</b>	<b>(16,834,162)</b>	<b>(15,721,373)</b>
<b>Net Cash Flows</b>	<b>117,279</b>	<b>(190,937)</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at beginning of period	3,158,231	3,349,169
Net Increase (Decrease) in Cash and Cash Equivalents	117,279	(190,937)
Closing Cash and Cash Equivalents	3,275,511	3,158,231
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>117,279</b>	<b>(190,937)</b>

This Statement is to be read in conjunction with the accompanying Notes.



# Notes to the Financial Statements

## Hawke's Bay Power Consumers' Trust For the year ended 31 March 2025

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

The assets and liabilities of the former Hawke's Bay Electric Power Board were vested in a new energy company (Hawke's Bay Power Distribution Limited) on 1 June 1993 in accordance with the Establishment Plan which was approved by the Governor General by Order in Council on the 10th day of May 1993. Hawke's Bay Power Distribution Limited changed its name to Hawke's Bay Network Limited on 19 January 1999 following reorganisation of the business in accordance with the Electricity Reform Act 1998. Hawke's Bay Network Limited changed its name to Unison Networks Limited on the 17 April 2003.

The Establishment Plan also provided for the establishment of the Hawke's Bay Power Consumers' Trust, the reporting entity for these financial statements, and the allocation of all shares in the Company to the Trustees.

The objective of the Trust is to hold the shares in the company on behalf of the Consumers' and distribute to the Consumers' in their capacity as owners, the benefits of ownership of the shares in the Company and to carry out future ownership reviews involving the public consultation in accordance with the terms of the Deed establishing the Trust.

The Trust is domiciled and registered in New Zealand.

For the purposes of complying with generally accepted accounting practice in New Zealand ("NZ GAAP"), the Trust is a for-profit entity. These financial statements have been approved for issue by the Trustees on 28th July 2025.

#### B. Basis of Preparation

The financial statements of the Trust have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable New Zealand Financial Reporting Standards, as appropriate for profit-orientated entities.

##### Statutory Basis

The financial statements have been prepared in accordance with the requirements of the Electricity Industry Act 2010 and the Financial Reporting Act 2013, and they comply with those Acts.

The financial statements have been prepared on the basis of historical cost, except where otherwise stated.

The financial statements are presented in New Zealand dollars, which is also the Trust's functional currency. The financial statements are rounded to the nearest dollar.

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trusts accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the notes to the Financial Statements.

There are no new standards, interpretations or amendments, which are not yet effective and have not been adopted early in these financial statements, that will or may have a significant effect on the Trust's future financial statements.

#### C. Goods & Services Tax

The Trust is not registered for GST and therefore the financial statements are prepared on a GST inclusive basis.

## **D. Income Tax**

Income tax expense includes components relating to current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year. Current tax also includes adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

## **E. Revenue**

Dividends received are recognised as revenue when the right to receive payment is established. Interest received is recognised as revenue as it is earned.

## **F. Provision for Distribution**

A provision is recognised at the time the distributions become legally payable by the Trust. The provision at balance date represents unclaimed distributions at year-end.

## **G. Financial Instruments**

The Trust initially recognises financial instruments when it becomes a party to the contractual provisions of the instrument.

The Trust derecognises a financial asset when the contractual rights to the cash flows from the asset expire.

The Trust derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

## **H. Financial Assets**

The Trust classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments and available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date. At balance date, the Trust only had financial assets classified as loans and receivables.

### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Trust provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current assets. The Trust's loans and receivables comprise cash and cash equivalents.

**I. Cash and Cash Equivalents**

Cash and cash equivalents includes deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of one year or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**J. Investments**

Investments in Unison Networks Limited are recorded at values placed on them as part of the 1993 Establishment Plan.

**K. Accounts Payable**

These amounts represent liabilities for goods and services provided to the Trust prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Accounts payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

**L. Consolidation**

The Financial Statements of Unison Networks Limited are not consolidated into this financial report of the Trust. A separate set of Consolidated Financial Statements has been prepared and is available on the Trust's website.

**M. Changes in Accounting Policies**

There have been no significant changes in accounting policies during the current year. Accounting policies have been applied on a basis consistent with prior year.

**2. AUDIT**

These financial statements have been subject to audit, please refer to Auditor's Report.

**3. CONTINGENT LIABILITIES**

At balance date there are no known contingent liabilities (2024:\$0). In the event of a legitimate claim being made by a Consumer to share in the distribution made in March 1999, December 2004, October 2006, October 2007, October 2008, October 2009, October 2010, August 2011, November 2012, November 2013, August 2014, November 2015, November 2016, August 2017, November 2018, November 2019, August 2020, November 2021, November 2022, November 2023 and November 2024 the Trust will settle the claim from general funds.

**4. FINANCIAL INSTRUMENTS**

The Trust is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, advances, accounts receivable, accounts payable. All financial instruments are recognised in the balance sheet with any movements recognised in either profit or loss or other comprehensive income depending on their classification. The fair values of financial instruments are considered to be their carrying value as disclosed except that the estimated fair value of shares in Unison Networks Limited based upon net tangible assets of the Company at 31 March 2025 is \$452,563,000.

The Trust is exposed to the following financial risks: credit risk and cash flow interest rate risk.

Credit risk is the risk of financial loss to the Trust if a counterparty to a financial instrument fails to meet its contractual obligations. The Trust's exposure to credit risk is in relation to cash and cash equivalents. All cash and cash equivalents are held with registered trading banks with a minimum credit rating of "A". Funds are spread across five trading banks to avoid a concentration of risk.

Cash flow interest rate risk arises through the fluctuation of market interest rates affecting the Trust's return on investment. Funds are held with a variety of trading banks either on call or short term deposits with an original maturity of 12 months or less. The Trust does not rely on the interest income to continue operations and therefore the overall risk is not considered significant.

## 5. RELATED PARTY TRANSACTIONS

Dividends totalling \$17,250,000 (2024: \$15,805,325) were received from Unison Networks Ltd during the year.

## 6. DIVIDEND

During the financial year an imputed dividend of \$17,250,000 (\$23,958,333 inclusive of imputation credits) was received in respect to the 2024/2025 financial year (2024: \$21,951,840 fully imputed dividend).

## 7. INCOME TAX

	2025	2024
<b>a. Taxation</b>		
Net Profit (Loss) before Tax	16,950,027	15,530,435
Prima Facie Tax Expenses @ 33%	5,593,509	5,125,044
<b>Plus / (Less) Tax Effect of</b>		
Non-deductible Expenses	-	-
Distribution to Beneficiaries	(5,650,784)	(5,177,054)
Unrecognised Tax Losses	41,098	36,956
Imputation Credit Adjustment	16,177	15,054
<b>Total Plus / (Less) Tax Effect of</b>	<b>(5,593,509)</b>	<b>(5,125,044)</b>
Tax Expense/(Benefit)	-	-
	2025	2024
<b>Tax Expenses</b>		
Current Tax	-	-
Deferred Tax	-	-
<b>Total Tax Expenses</b>	<b>-</b>	<b>-</b>

A deferred tax asset has not been recognised in relation to tax losses of \$2,944,404 (2024: \$2,671,317).

b. Taxation Payable / (Receivable) Nil

2025

2024

## 8. RECONCILIATION OF THE NET SURPLUS AFTER TAXATION WITH THE NET CASH FLOWS FROM OPERATING ACTIVITIES

Reported Surplus after taxation	16,950,027	15,530,435
<b>Add (Less) movements in working capital items:</b>		
Increase (Decrease) in Accounts Payable	(22,612)	36,451
(Increase) Decrease in Interest Accrued	20,887	(13,440)
(Increase) Decrease in Pre-payments	(656)	(575)
<b>Net Cash Flow from Operating Activities</b>	<b>16,947,646</b>	<b>15,552,871</b>
	2025	2024

## 9. RETAINED EARNINGS MOVEMENT

### Movements in retained earnings were as follows:

Accumulated Funds	1,836,318	1,878,186
Profit for the Year	16,950,027	15,530,435
Distributions to Beneficiaries	(17,436,027)	(15,998,648)
Previous Distribution Payments Presented	-	(9,750)
Distribution Over-provided & Unclaimed Money	272,523	436,094
<b>Closing Balance</b>	<b>1,622,841</b>	<b>1,836,318</b>

## 10. KEY MANAGEMENT PERSONNEL

Key management personnel compensation for the period and financial year are set out below. The key management personnel are the Trustees of the Trust who have the authority for the strategic direction and management of the Trust. Key management services are also provided by Brown Webb Richardson Limited through the provision of secretarial services.

2025

2024

### Key Management Personnel

Short Term Benefits	140,000	140,000
Post Employment Benefits	-	-
Other Long Term Benefits	-	-
<b>Total</b>	<b>140,000</b>	<b>140,000</b>

The Trust has a contract with Brown Webb Richardson Limited for the provision of secretarial services to the Trust. For the year ended 31 March 2025 the amount of compensation paid or payable to Brown Webb Richardson Limited for the provision of the services was \$51,060. (2024: \$51,060).

## 11. NOTES SUPPORTING CASH FLOW STATEMENT

	2025	2024
<b>Cash and cash equivalents for the purpose of the cash flow statement comprises:</b>		
<b>Cash at bank available on demand:</b>		
Westpac Bank - 00 Account	48,830	443,051
Westpac Bank - 03 Distribution Account	909	2,769
Westpac Bank - 01 Business Online Saver	254,214	152,704
Westpac Bank - 04 Distribution Account	2,165	84,305
ANZ Bank - 88 Distribution Account	654,045	23,959
ASB Bank - 50 Savings On Call Account	2,205	2,201
<b>Total Cash at bank available on demand:</b>	<b>962,367</b>	<b>708,989</b>
<b>Short-term Deposits:</b>		
BNZ Bank - Term Deposit 04	-	687,824
Westpac Bank - Term Deposit 27	211,926	200,000
Westpac Bank - Term Deposit 29	571,403	523,042
Westpac Bank - Term Deposit 30	-	538,377
Westpac Bank - Term Deposit 34	529,815	500,000
Westpac Bank - Term Deposit 36	700,000	-
Westpac Bank - Term Deposit 37	300,000	-
<b>Total Short-term Deposits:</b>	<b>2,313,144</b>	<b>2,449,243</b>
<b>Total Cash and Cash Equivalents</b>	<b>3,275,511</b>	<b>3,158,231</b>

### SIGNIFICANT EVENTS OCCURING AFTER BALANCE DATE

There have been no significant reporting events subsequent to balance date.

# Taxation Reconciliation

## Hawke's Bay Power Consumers' Trust For the year ended 31 March 2025

	2025	2024
<b>1. Income Tax Reconciliation</b>		
Net Profit -per Statements	16,950,027	15,530,435
<b>Additions to Taxable Profit</b>		
Imputation Credits on Unison Networks Limited	6,708,333	6,146,515
<b>Total Additions to Taxable Profit</b>	<b>6,708,333</b>	<b>6,146,515</b>
<b>Deductions from Taxable Profit</b>		
Losses Carried Forward	2,671,317	2,421,084
<b>Total Deductions from Taxable Profit</b>	<b>2,671,317</b>	<b>2,421,084</b>
<b>Distributions to Beneficiaries</b>		
Distribution to Beneficiaries	23,782,899	21,788,936
<b>Total Distributions to Beneficiaries</b>	<b>23,782,899</b>	<b>21,788,936</b>
Net Profit (Loss) as Per Tax Return	(2,795,855)	(2,533,070)
Tax Payable	-	-
Income Tax Payable (Refund Due)	-	-