

**VECTOR Limited**  
**Electricity Lines Business**  
**FOR THE YEAR ENDED 31 MARCH 2001**

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

Derivation Table	Input and Calculations \$000	Symbol in formula	ROF	\$000	ROE	\$000	ROI	\$000
Operating surplus before interest and income tax from financial statements	112,041							
Operating surplus before interest and income tax adjusted pursuant to regulation 18 (OSBIT)	112,041							
Interest on cash, bank balances, and short-term investments (ISTI)	303							
OSBIT minus ISTI	111,738	a		111,738				111,738
Net surplus after tax from financial statements	63,672							
Net surplus after tax adjusted pursuant to regulation 18 (NSAT)	63,672	n				63,672		
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)	19,181							
Depreciation of SFA at ODV (y)	19,181							
ODV depreciation adjustment	0	d	add	0	add	0	add	0
Subvention payment tax adjustment	0	s*t			deduct	0	deduct	0
Interest tax shield	3,434	q					deduct	3,434
Revaluations	8,118	r					add	8,118
Income tax	42,345	p					deduct	42,345
<b>Numerator</b>				111,738		63,672		74,077
				OSBIT <sup>ADJ</sup> = a + g + s + d		NSAT <sup>ADJ</sup> = n + g + s - s*t + d		OSBIT <sup>ADJ</sup> = a + g - q + r + s + d - p - s*t
Fixed assets at end of previous financial year (FA <sub>0</sub> )	888,832							
Fixed assets at end of current financial year (FA <sub>1</sub> )	927,669							
Adjusted net working capital at end of previous financial year (ANWC <sub>0</sub> )	-50,170							
Adjusted net working capital at end of current financial year (ANWC <sub>1</sub> )	-3,541							
Average total funds employed (ATFE)	881,395	c		881,395				881,395
(or regulation 33 time-weighted average)								
Total equity at end of previous financial year (TE <sub>0</sub> )	737,370							
Total equity at end of current financial year (TE <sub>1</sub> )	741,329							
Average total equity	739,350	k				739,350		
(or regulation 33 time-weighted average)								
WUC at end of previous financial year (WUC <sub>0</sub> )	143,790							
WUC at end of current financial year (WUC <sub>1</sub> )	33,027							
Average total works under construction	88,409	e	deduct	88,409	deduct	88,409	deduct	88,409
(or regulation 33 time-weighted average)								
Revaluations	8,118	r						
Half of revaluations	4,059	r/2					deduct	4,059
Intangible assets at end of previous financial year (IA <sub>0</sub> )	0							
Intangible assets at end of current financial year (IA <sub>1</sub> )	0							
Average total intangible asset	0	m				add	0	
(or regulation 33 time-weighted average)								
Subvention payment at end of previous financial year (S <sub>0</sub> )	0							
Subvention payment at end of current financial year (S <sub>1</sub> )	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 <sub>bv,0</sub> )	707,582							
System fixed assets at end of current financial year at book value (SFA <sub>bv,1</sub> )	854,219							
Average value of system fixed assets at book value	780,901	f	deduct	780,901	deduct	780,901	deduct	780,901
(or regulation 33 time-weighted average)								
System Fixed assets at year beginning at ODV value (SFA <sub>odv,0</sub> )	707,582							
System Fixed assets at end of current financial year at ODV value (SFA <sub>odv,1</sub> )	854,219							
Average value of system fixed assets at ODV value	780,901	h	add	780,901	add	780,901	add	780,901
(or regulation 33 time-weighted average)								
<b>Denominator</b>				792,986		650,941		788,927
				ATFE <sup>ADJ</sup> = c - e - f + h		Ave TE <sup>ADJ</sup> = k - e - m + v - f + h		ATFE <sup>ADJ</sup> = c - e - 1/2r - f + h
<b>Financial Performance Measure:</b>				14.1		9.8		9.4
				ROF = OSBIT <sup>ADJ</sup> /ATFE <sup>ADJ</sup> x 100		ROE = NSAT <sup>ADJ</sup> /ATE <sup>ADJ</sup> x 100		ROI = OSBIT <sup>ADJ</sup> /ATFE <sup>ADJ</sup> 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