

Utilities Disputes Limited
Financial Statements for the year ended 31 March 2025
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Directory**

Board	Deborah Hart (Chairperson) Tony Dench Ruth Smithers Corey Hebbard Kevin Angland
Registered office	DLA Piper New Zealand 20 Customhouse Quay Wellington Central Wellington 6011
Nature of business	Dispute Resolution and related services
Independent auditor	Moore Markhams Wellington Audit Level 11, 34-42 Manners Street, Wellington 6142
Bankers	ANZ Banking Group (NZ) Ltd Westpac New Zealand Ltd
Incorporation Number	6148169
Date of Incorporation	2 November 2016
Shareholders	Deborah Hart - 1 share

Statement of service Performance

Tautohetohe Whaipanga | Utilities Disputes Limited (UDL)

This report has been prepared in accordance with PBE FRS 48 Service Performance Reporting.

The Board of UDL believes that the statements contained in this report accurately reflect the overall performance of UDL for the year ended 31 March 2025.

Who is UDL?

UDL is a not-for-profit dispute resolution service provider. It provides prompt, fair, and independent resolution of complaints and disputes between consumers and their utilities companies when they are unable to be resolved between the parties.

It has been receiving complaints since 2001 and is free to consumers. It is funded by membership and complaint levies paid by providers.

UDL currently operates four dispute resolution schemes:

- the Government approved Electricity and Gas Complaints Scheme;
- the Government approved Broadband Shared Property Access Disputes Scheme (BSPAD);
- a voluntary Water Complaints Scheme; and
- a voluntary Telecommunications Complaints Scheme.

The Government schemes must be independently reviewed regularly. A review of the Electricity and Gas Complaints Scheme was completed in 2023. A review of the BSPAD scheme commenced in the current year.

Governance

UDL is governed by an independent Board consisting of a chairperson and four directors.

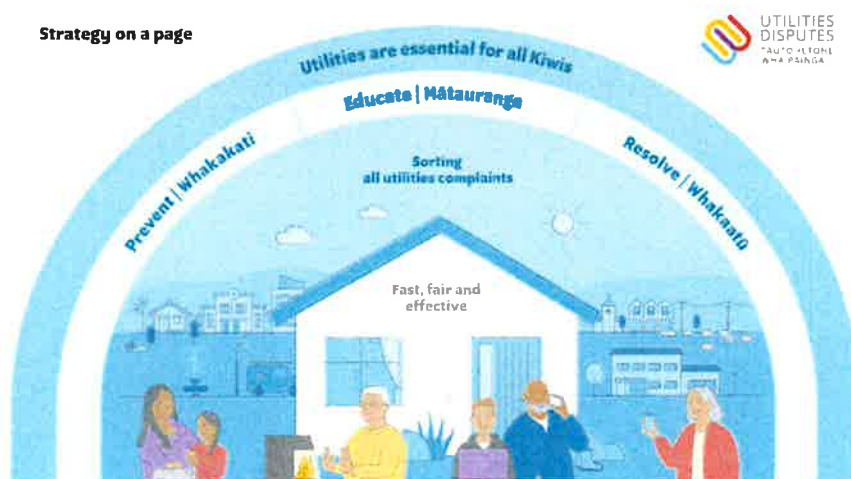
The Electricity and Gas Complaints, BSPAD and Water schemes have their own advisory committees made up of industry and consumer representatives who meet quarterly to provide advice to the Board. We are intending to establish a similar advisory committee for our telecommunications scheme.

What UDL does

Our membership numbers at end of year were:

Energy members 362 BSPAD members 3 Water members 3 Telecommunications 1

UDL aims to facilitate a strong relationship of trust between consumers and utilities organisations. To achieve this, UDL focuses on three key aspects of effective complaints resolution: Prevent, Educate and Resolve.



UDL operates under the Australian Benchmarks for industry-based dispute resolution schemes. These principles were adopted and are reflected in UDL's original constitution, subsequent governance documents, and relevant legislation.

The six principles are:

1. Accessibility
2. Independence
3. Fairness
4. Accountability
5. Efficiency
6. Effectiveness

UDL's Commissioner is a member of the Australian and New Zealand Ombudsman Association (ANZOA), the professional association for Ombudsmen in Australia and New Zealand. ANZOA's members are individual Ombudsmen or Commissioners whose offices operate on a not-for-profit basis, are industry-based, and/or are instituted by parliament. They are to meet high standards of independence, impartiality and effectiveness¹.

UDL also measures itself against the Government Centre for Dispute Resolution framework for handling complaints which includes consideration of the principles of the Treaty of Waitangi.

UDL's strategic goals

UDL strategic goals for the year included:

- Delivering the core parts of our schemes to a high standard
- Improving the timeliness and quality of our decision making and complaint resolution with appropriate KPI and quality measures
- Ensuring our schemes are prudently and independently funded
- Growing our existing schemes and developing new funding models
- Improving our ability to show the value we provide to government and stakeholders through targeted submissions and engagement, undertaking research, improving our Te Ao Māori and Te Tiriti competency, engagement and development
- Improving our awareness and reach through targeted communications
- Making sure we recruit the best staff and ensure they are engaged, supported and contributing to our culture in a positive way so we can become an employer of choice
- Maximizing the benefits of our new Microsoft Dynamics CRM and Omnichannel phones system
- Ensuring our staff are appropriately trained in complaints resolution and our structure is appropriate
- Improving our data, research and reporting capabilities including our identification and reporting of systemic issues
- An independent review of our BSPAD scheme and its current funding arrangements
- Improving our ability to provide education, training and guidance
- Become recognised as a leader in dispute resolution and promote our prevent, educate and resolve objective

To meet our broader strategic goals, we have:

- Commissioned and published independent research into the value of the services UDL provides by NZIER, and research into New Zealand's 'Squeezed Middle' investigating the way they deal with complaints in the utilities sector by Martin Jenkins
- Incorporated a tikanga option to internal employment policies
- Refreshed and renewed our Te Ao Māori and Treaty of Waitangi strategy
- Refreshed and renewed our Community Engagement and Communications Strategy
- Published a Systemic Insights Report and shared multiple decisions with providers, regulators and stakeholders highlighting potential regulatory and systemic issues we have identified

¹ For a full explanation see: *ANZOA Rules and Criteria*, sch 1 and www.anzoa.com.au

- Developed a community engagement framework with unique KPIs
- Significantly increased our social media presence and reach to increase public awareness of UDL and its services incorporating our community engagement and other activities
- Improved our prompted awareness rating amongst New Zealand consumers in the MBIE 2024 Consumer Survey
- Delivered webinars, training, forums, published articles and met with over 160 social organisations (through community outreach) from Northland down and across to Tairāwhiti, Taranaki, Porirua and Wellington with the South Island coming soon
- Increased the number of decisions and complaint summaries issued to resolve complaints
- Obtained independent complaint resolution training for frontline staff
- Reviewed and refreshed our Employment and Health & Safety policies and procedures
- Increased and improved our data reporting to providers and stakeholders in our schemes
- Improved our staff engagement performance and been shortlisted for three employer of choice awards
- Increased the volume of complaints considered through our water and telecommunications complaints schemes
- Increased the number and quality of submissions submitted on legislation and regulatory change
- Introduced new KPIs and performance standards for operational staff to improve the timeliness and quality of our services.

Our people

The UDL team of 38 staff (including two contractors) consists of:

Operational (24) Data and Reporting (3) Senior leadership team (4)

Other (7) includes legal and policy advice, communications, community engagement, Māori cultural advice, financial, and office management.

Environmental

UDL is in the fourth year of its journey towards realising efficiencies, reducing our carbon footprint, and becoming more sustainable. We have appointed one of the operations team members to lead UDL's development in this area with the Deputy Commissioner being the executive sponsor.

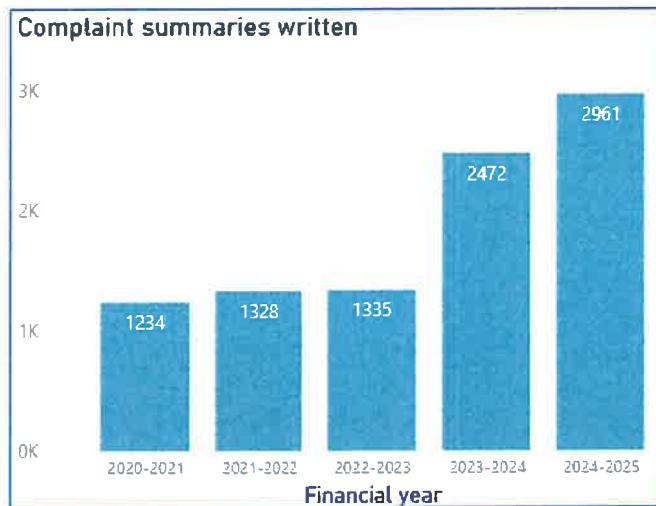
Complaints and queries received and closed during the year (figures in brackets refer to previous year)

During the year we received 21,020 (15,421) total cases across all our complaints schemes made up of 12,655 (8,424) queries and 8,356 (6,997) complaints.

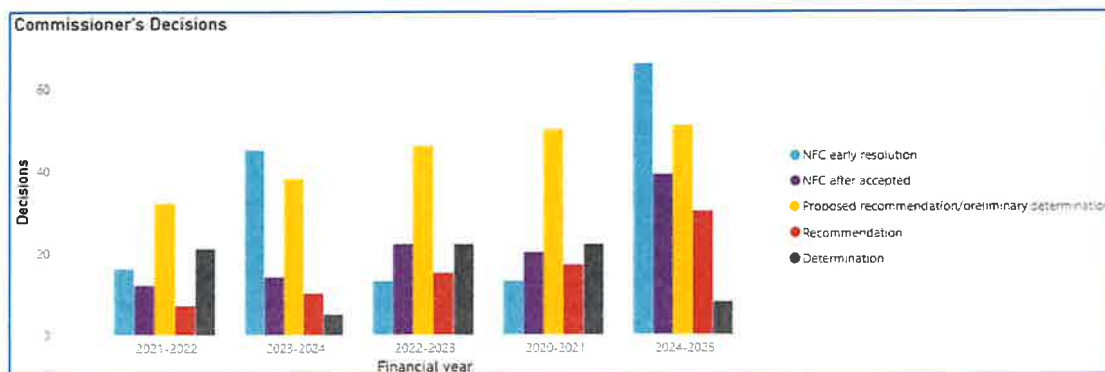
Table showing a breakdown of all cases closed:



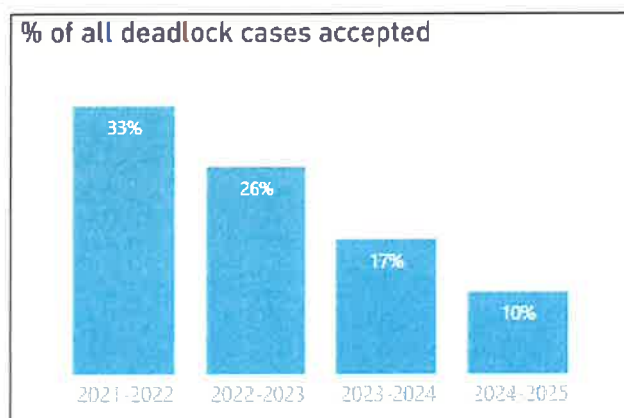
As stated above UDL has increased the number of complaint summaries it produces to assist consumers to resolve complaints with their provider.



UDL also issued more Commissioner's decisions this year, especially No Further Consideration (NFC) decisions. Most of these NFCs were issued during the early resolution stage.



This year we have continued our ongoing work to resolve more complaints in the earlier stages of our process to improve our timeliness. This aligns with our strategic goal of being an efficient dispute resolution scheme. Fewer deadlocked complaints are accepted for investigation because they have been resolved by our early resolution teams:



Our energy complaints scheme is our largest scheme and represents 94% of queries and complaints received.

Breakdown of accepted cases		
Energy	90%	157 (169)
BSPAD	5%	9 (18)
Water	5%	8 (5)
Telecommunications	0%	0 (0)

Energy Complaints Scheme (figures in brackets refer to previous year)

During the year the Energy Scheme received 11,500 (8,136) queries, 7,513 (6,694) complaints, 1,462 (1,079) deadlocked complaints, and 157 (169) cases accepted for consideration.

We closed 167 (146) accepted energy complaints during the year. On average energy complaints took 103 (84) working days to close from date accepted to date closed.

Broadband Shared Property Access Disputes Scheme (BSPAD)

During the year the BSPAD Scheme received 25 (35) queries, 16 (73) complaints, 11 (30) deadlocked complaints, and 9 (18) cases accepted for consideration.

We closed 14 (12) accepted BSPAD disputes during the reporting year. On average, BSPAD disputes took 35 (37) working days to close from date accepted to date closed.

Water Complaints Scheme

During the year the Water Scheme received 112 (63) queries, 100 (69) complaints, 14 (27) deadlocked complaints, and 8 (5) cases accepted for consideration.

We closed 9 (0) accepted water disputes during the reporting year. On average, water disputes took 94.89 (0) working days to close from date accepted to date closed.

Telecommunications Complaints Scheme

During the year the Telco Scheme received 543 (255) queries, 277 (139) complaints, 15 (5) deadlocked complaints, and 0 (0) cases accepted for consideration.

We closed 0 (0) accepted telco disputes during the reporting year.

UDL's performance standards

Table – UDL's performance against standards set for 2024-25 (figures in brackets refer to previous year)

Scheme requirement	Performance standard	Performance
A. Complainant satisfaction	Goal reaching an average over 4 out of 5	Met - 4.27 (4.28)
B. Provider satisfaction	Goal reaching an average over 4 out of 5	Met – 4.44 (4.11)
C. Awareness and accessibility	20% unprompted recognition in general awareness survey	Not conducted.
D. Compliance reporting – complete, accurate and on time	Compliance reporting for the Energy Scheme is complete, accurate and on time. We are scheduled to complete the self-review exercise in June	Met

E. External review of cases	Assess complaint handling as meeting requirements of natural justice and good complaint handling	Conducted as part of the Independent Review by Professor Ron Paterson
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Table - Time to close cases over last five years

	2020-21 combined Schemes	2021-22 combined Schemes	2022-23 combined Schemes	2023-24 combined Schemes	2024-25 combined Schemes
Average days to close	36.6	42.4	66.5	80	95
45% closed in under 30 working days	57.3%	50.6%	42.0%	32%	27%
75% closed in under 90 working days	93.1%	90.3%	74.1%	70%	65%

The current performance standards measure cases that have reached the “accepted stage”.

In the past three years the threshold for accepting cases has shifted and UDL now spends more time working with providers and complainants to resolve complaints early, prior to the complaint being formally accepted. As a result of these changes more cases are being resolved at the deadlock stage, prior to being formally accepted for investigation. It has also meant the cases that are accepted for investigation are often more technical in nature or more difficult to resolve – with the “easy” complaints often resolved at the point of deadlock.

This change in approach has led UDL to review the existing performance standards, which has been supported by our Advisory Committees. As only the most challenging cases are now accepted, the historic targets have become less achievable.

New performance standards

When developing the re-designed time to close Performance Standards we considered international performance standards published by similar organisations, so UDL’s performance can be measured against its peers.

We have proposed an option to rework UDL’s time to close Performance Standards to reflect UDL’s timeliness:

- Overall
- Relating to initial work
- Relating to resolution work

Table – New performance standards, backdated over past 4 years

	2021-22 combined Schemes	2022-23 combined Schemes	2023-24 combined Schemes	2024-25 combined Schemes
90% of all cases closed within 10 working days	97%	92%	88%	91%
90% of all queries closed within 1 working day	93%	86%	88%	90%
65% of all deadlocked (including accepted) complaints closed within 30 days of deadlock	70%	69%	71%	66%
90% of all deadlocked (including accepted) complaints closed within 90 days of deadlock	94%	91%	92%	90%

Measuring complainant and provider satisfaction

A. Complainant satisfaction

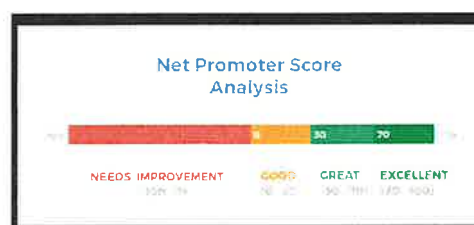
Our feedback surveys were introduced in 2021. We survey complainants for different parts of our process which can be broadly divided into early resolution and conciliation work. The surveys include questions around ease of use, respect, understanding, and timeliness.

Our overall complainant satisfaction scored an average of 4.27 out of 5. Our complainant satisfaction surveys are conducted at different stages of the complaint process, covering all aspects of our service.

B. Provider satisfaction

Provider satisfaction is monitored in the same way as complainant satisfaction. We survey providers at the point when a complaint concluded. Over the year our provider satisfaction scored an average of 4.44 out of 5.

Our net promoter score (NPS) is 33 across all complainants and providers:



Utilities Disputes Limited
Statement of Comprehensive Revenue and Expenses
For the year ended 31 March 2025

	Notes	2025 \$	2024 \$
Revenue from non-exchange transactions			
Market share based levy		5,309,064	4,962,413
Case based levy		225,311	187,500
		<u>5,534,375</u>	<u>5,149,913</u>
Revenue from exchange transactions			
Interest income		255,069	214,573
Sundry income		52	9,813
		<u>255,121</u>	<u>224,386</u>
Total revenue		<u>5,789,496</u>	<u>5,374,299</u>
Expenses			
ACC Levy		4,040	4,885
Accommodation and travel		64,199	55,691
Advisory Committee Fees and Expenses		6,329	4,172
Amortisation		158,184	141,133
Auditors Fees		14,311	13,055
Bank Fees		381	757
Board Expenses		41,592	42,177
Board member Fees		197,466	195,267
Case Expenses		4,909	5,069
Communications		228,518	178,758
Computer Support		277,178	260,022
Contractors		191,554	210,909
Depreciation		70,630	93,670
Entertainment		23,432	25,738
General Expenses		6,936	3,348
Insurance		26,994	23,340
Interest Expense		-	896
Library Expenses		9,960	6,902
Motor Vehicle		1,781	493
Office Equipment		2,078	1,091
Payroll Expenses		3,211	2,958
Premises Expenses		237,135	225,351
Printing Postage and Stationery		14,326	10,710
Professional Advice		228,840	297,566
Recruitment		29,092	61,355
Salaries and wages		3,436,523	3,261,534
Staff Expenses		7,952	4,762
Telecommunications		48,103	52,403
Training and Development		113,794	123,063
Total expenses		<u>5,449,448</u>	<u>5,307,075</u>
Total surplus/(deficit) for the period		<u>340,048</u>	<u>67,224</u>

These financial statements should be read in conjunction with the notes to the financial statements.

Taxation Expense	16	70,148	60,080
Total surplus/(deficit) for the period after tax		269,900	7,144
Other comprehensive revenue and expenses		-	-
Total comprehensive revenue and expense		269,900	7,144

These financial statements should be read in conjunction with the notes to the financial statements.



Utilities Disputes Limited
Statement of Changes in Net Assets
For the year ended 31 March 2025

	Notes	Retained Surplus \$	Reserves \$	Total equity \$
Opening balance 1 April 2024		2,121,668	900,000	3,021,668
Surplus/(Deficit) for the year		269,900	-	269,900
Transfers to/(from) reserves		200,000 -	200,000	-
Closing equity 31 March 2025	17	2,591,568	700,000	3,291,568

Opening balance 1 April 2023		2,114,524	900,000	3,014,524
Surplus/(Deficit) for the year		7,144	-	7,144
Transfers to/(from) reserves		-	0	0
Closing equity 31 March 2024	17	2,121,668	900,000	3,021,668

These financial statements should be read in conjunction with the notes to the financial statements.

Utiities Disputes Limited
Statement of Financial Position
As at 31 March 2025

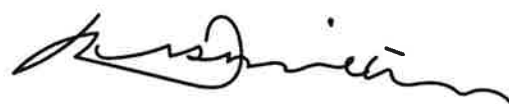
	Notes	2025 \$	2024 \$
Current assets			
Cash and cash equivalents	8	1,126,774	577,200
Receivables from exchange transactions	9	15,606	7,610
Receivables from non-exchange transactions	9	50,152	61,890
Term Deposits		2,009,054	2,000,000
Prepayments		24,760	28,173
Total current		<u>3,226,346</u>	<u>2,674,873</u>
Non-current assets			
Property plant and equipment	10	155,920	158,610
Intangibles	11	376,772	534,957
Total non-current		<u>532,692</u>	<u>693,567</u>
Total assets		<u>3,759,038</u>	<u>3,368,440</u>
Current liabilities			
Trade and other creditors	12	273,421	202,516
Revenue in advance		7,500	7,500
Tax payable	16	253	5,153
Employee entitlements		186,296	131,603
Total Current		<u>467,470</u>	<u>346,772</u>
Total net assets		<u>3,291,568</u>	<u>3,021,668</u>
Net assets			
Retained surplus		2,591,568	2,121,668
Reserves		700,000	900,000
Total net assets		<u>3,291,568</u>	<u>3,021,668</u>

Signed for and on behalf of the Board who authorised these financial statements for issue on 19 June 2025

Chair



Director



These financial statements should be read in conjunction with the notes to the financial statements.

Utilities Disputes Limited
Statement of Cash Flows
As at 31 March 2025

	2025	2024
	\$	\$
Cash flow from operating activities		
<u>Receipts</u>		
Receipts from non-exchange transactions	5,538,589	5,154,046
Receipts from exchange transactions	2,842	1,737
Net GST		34,990
Taxation refund received		-
<u>Payments</u>		
Payments to suppliers	- 1,741,578 -	1,852,807
Payment to employees	- 3,374,097 -	3,525,029
Net GST	- 2,129	-
Taxation paid	-	-
Net cash flows from operating activities	423,627 -	187,063
Cash flows from investing activities		
<u>Receipts</u>		
Interest received	193,886	142,561
Withdrawal of short term investments	5,150,000	5,000,000
<u>Payments</u>		
Purchase of property, plant and equipment	- 67,939 -	86,611
Investments in short term deposits	- 5,150,000 -	5,000,000
Payments to acquire intangibles	- -	335,634
Interest paid	- -	896
Net cash flows from investing activities	125,947 -	280,580
Net increase/(decrease) in cash and cash equivalents	549,574 -	467,643
Cash and cash equivalents at 1 April	577,200	1,044,843
Cash and cash equivalents at 31 March	1,126,774	577,200

These financial statements should be read in conjunction with the notes to the financial statements.



Utilities Disputes Limited
Notes to the Financial Statements
For the year ended 31 March 2025

1. Reporting entity

The reporting entity is Utilities Disputes Limited (the “Utilities Disputes”). Utilities Disputes is domiciled in New Zealand and is a not for profit limited liability company.

These financial statements comprise the financial statements of Utilities Disputes for the year ended 31 March 2025. The comparative period relates to the year ended 31 March 2024.

The financial statements were authorised for issue by the Board on the 19 June 2025.

2. Statement of compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (“NZ GAAP”). They comply with Public Benefit Entity International Public Sector Accounting Standards (“PBE IPSAS”) and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, Utilities Disputes is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Board has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime (“RDR”) disclosure concessions. This decision results in Utilities Disputes not preparing a Statement of Service Performance for both reporting periods.

3. Changes in accounting policy

There have been no changes in accounting policy during the year ended 31 March 2025.

4. Summary of accounting policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

4.1. Basis of measurement

These financial statements have been prepared on the basis of historical cost.

4.2. Functional and presentational currency

The financial statements are presented in New Zealand dollars (\$), which is Utilities Disputes functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

4.3. Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to Utilities Disputes and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

(1) Revenue from non-exchange transactions

Levy revenue

Levy revenue is recognised in the levy year in which it relates, even when levies are calculated by reference to cases in a different period.

(2) Revenue from exchange transactions

Interest revenue

Interest revenue is recognised as it accrues, using the effective interest method.

4.4. Financial instruments

Utilities Disputes Limited has elected to apply PBE IPSAS 41 Financial Instruments.

Utilities Disputes Limited's financial assets comprise cash and cash equivalents, receivables from exchange transactions and non-exchange transactions, and term deposits. All these financial assets are initially recognised at fair value and subsequently measured at amortised costs, using the effective interest method.

The Utilities Disputes Limited's financial liabilities comprise trade and other creditors (excluding GST and PAYE), and employee entitlements. Financial liabilities are subsequently measured at amortised costs using the effective interest method. Interest expenses and any gain or loss on derecognition are recognised in surplus or deficit.

4.5. Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.6. Short term investments

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

4.7. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a straight line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

• Office Equipment	9% - 100%	DV & SL
• Leasehold improvements	10% - 33%	DV & SL
• Computer Equipment	33% - 60%	DV & SL
• Computer database	20% - 48%	SL
• Motor vehicle	36%	DV

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

4.8. Intangibles

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date the asset is derecognised. The amortisation charge for each year is recognised in the surplus or deficit.

The useful life and associated amortisation rate of intangible assets have been estimated at between 2.5 and 5 years (20% - 40%).

4.9. Leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

4.10 Significant judgements and estimates

Utilities Disputes have not made any significant assumptions or estimates in preparing these financial statements.

5. Employee Entitlements

Short-term employee benefits

Employee benefits, previously earned from past services, that the entity expect to be settled within 12 months of reporting date are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

Termination benefits

Termination benefits are recognised as an expense when the entity is committed without realistic possibility of withdrawal, to terminate employment, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the entity has made a voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

6. Income tax

Utilities Disputes is a Not for Profit company hence only taxed on income from outside the circle of membership. As such, Utilities Disputes is taxed only on interest received and deferred tax is not applicable.

7. Goods and Services Tax (GST)

Utilities Disputes is registered for GST. Therefore all amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

8. Cash and cash equivalents

Cash and cash equivalents include the following components:

	2025	2024
	\$	\$
Cash at bank	1,126,774	577,200
Total cash and cash equivalents	1,126,774	577,200

9. Receivables

(1) Receivables from exchange transactions

	2025	2024
	\$	\$
Accounts Receivable	40,606	32,610
Provision for Bad Debt	- 25,000	- 25,000
	15,606	7,610

(2) Receivables from non-exchange transactions

	2025	2024
	\$	\$
Accrued Receivables	5,959	19,825
GST Refund Due	44,193	42,065
Income Tax Due for Refund/(Payment)	-	-
	50,152	61,890

10. Property plant and equipment

	Leasehold improvements	Office furniture and equipment	Motor Vehicles	Computer equipment	Total
2025	\$	\$	\$	\$	\$
Cost	168,429	170,119	38,243	189,227	566,018
Accumulated depreciation	97,111	142,818	23,518	146,651	410,098
Net book value	71,318	27,301	14,725	42,576	155,920

	Leasehold improvements	Office furniture and equipment	Motor Vehicles	Computer equipment	Total
2024	\$	\$	\$	\$	\$
Cost	174,414	176,829	38,243	207,111	596,597
Accumulated depreciation	86,127	167,469	15,236	169,154	437,986
Net book value	88,287	9,360	23,007	37,957	158,611

Reconciliation of the carrying amount at the beginning and end of the period:

	Leasehold improvements	Office furniture and equipment	Motor Vehicles	Computer equipment	Total
2025	\$	\$	\$	\$	\$
Opening balance	88,287	9,360	23,007	37,957	158,611
Additions	6,485	25,968	-	35,486	67,939
Disposals	-	-	-	-	-
Reclassifications	-	-	-	-	-
Depreciation	23,454	8,027	8,282	30,867	70,630
	71,318	27,301	14,725	42,576	155,920

11. Intangibles

	Computer database
2025	\$
Cost	729,694
Accumulated amortisation	352,922
Net book value	376,772

	Computer database
2024	\$
Cost	1,002,105
Accumulated amortisation	467,149
Net book value	534,956

Reconciliation of the carrying amount at the beginning and end of the period:

2025	Computer database
	\$
Opening balance	534,956
Additions	-
Disposals	-
Reclassifications	-
Amortisation	158,184
	<u>376,772</u>

12. Trade and other creditors

	2025	2024
	\$	\$
Accounts Payable	153,575	92,549
Accruals	119,846	109,967
	<u>273,421</u>	<u>202,516</u>

13. Related party transactions

There have been no material related party transactions during the year. (2024: \$Nil)

13.1 Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body and the senior management team. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2025	2024
	\$	\$
Total remuneration	994,289	1,050,941
Number of persons (FTE)	4.7	4.8

13.2 Remuneration and compensation provided to close family members of key management personnel

There has been no remuneration and compensation provided to close family members of key management personnel during the year. (2023: \$Nil)

14. Leases

As at the reporting date, the Board has entered into the following operating lease commitments:

	2025	2024
	\$	\$
No later than one year	142,175	142,351
Later than one year and no later than five years	273,308	415,867
Later than five years	-	-
	<u>415,483</u>	<u>558,218</u>

Building rent and 2 carparks are leased from 22 Terrace Investments.

The current building lease has been signed by both parties and will expire in March 2028. There are 2 further rights of renewal of 3 years each on the lease.

A lease for the photocopier is held with Canon. The lease expires in March 2026. At that stage there is the ability to replace the photocopier and start a new lease for the new replacement photocopier.

15. Categories of financial assets and liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2025	2024
	\$	\$
Financial assets		
<i>At amortised cost</i>		
Cash and cash equivalents	1,126,774	577,200
Receivables from exchange transactions	15,606	7,610
Receivables from non-exchange transactions	50,152	61,890
Term deposits	2,009,054	2,000,000
	<u>3,201,586</u>	<u>2,646,700</u>
Financial liabilities		
<i>At amortised cost</i>		
Trade and other creditors	273,421	202,516
Employee entitlements	186,296	131,603
	<u>459,717</u>	<u>334,119</u>

16. Tax Reconciliation	2025	2024
	\$	\$
Taxable Income - Interest income as per Statement of Revenue and Expense	255,069	214,573
- Interest income accrued in prior period	19,825	
- Interest income accrued in current period	-5,959	
Less expenses		
Taxable income	<u>268,935</u>	<u>214,573</u>
Income tax as per Statement of Revenue and Expense	70,148	60,080
Income tax accrued in previous year	5,153	
Income tax as per company rate of 28%	75,301	60,080
Withholding tax paid during 2023/24 year		-54,927
Withholding tax paid during 2024/25 year	-75,048	
	<u>253</u>	<u>5,153</u>

17. Equity and Reserves

	2025	2024
	\$	\$
Capital Reserve	200,000	200,000
Legal Reserve	250,000	250,000
Technology and Cyber Security Reserve	<u>250,000</u>	<u>450,000</u>
	700,000	900,000
Retained Surpluses	<u>2,591,568</u>	<u>2,121,668</u>
Closing Equity	<u>3,291,568</u>	<u>3,021,668</u>

A Capital Reserve has been created to ensure that all capital items can be replaced as required and any new approved capital items can be purchased immediately without having to raise any further levies.

The Legal Reserve has been created to cover fees relating to matters such as legal advice required to operate our schemes, enforcing a determination and defending any legal challenge to a determination.

A Technology and Cyber Security Reserve has been created to ensure that funding is available for the work being undertaken on the upgrading or replacement of some of the systems that UDL uses in it's business. These systems include the CRM system, Website, Data management and Telephony system. The fund is also intended to cover costs associated with a cyber-attack on the organisations IT systems.

18. Capital commitments

There are no capital commitments as at the reporting date. (2024 \$Nil)

19. Contingent assets and liabilities

There are no contingent assets or liabilities at the reporting date. (2024: \$Nil).

20. Events after the reporting date

The Board and management are not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of Utilities Disputes Limited. (2024 \$Nil).

Independent auditor's report

To the Shareholders of Utilities Disputes Limited

Opinion

We have audited the general-purpose financial report of Utilities Disputes Limited which comprises the financial statements on pages 10 to 20 and the service performance information on pages 3 to 9. The complete set of financial statements comprises the Statement of Financial Position as at 31 March 2025, the Statement of Comprehensive Revenue and Expense, the Statement of Changes in Net Assets, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of Utilities Disputes Limited as at 31 March 2025, and (of) its financial performance,
- and its cash flows for the year then ended; and
- the service performance for the year ended 31 March 2025 in accordance with the entity's service performance criteria

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR).

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information* (NZ). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the general purpose financial report section of our report.

We are independent of Utilities Disputes Limited in accordance with Professional and Ethical Standard 1 (Revised) 'Code of Ethics for assurance practitioners' issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other than our capacity as auditor we have no relationship with, or interests in, Utilities Disputes Limited.

Responsibilities of the Board for the General-Purpose Financial Report

The Board are responsible on behalf of Utilities Disputes Limited for:

- a) the financial statements and service performance information in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board;
- b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards; and
- c) such internal control as the Board determines is necessary to enable the preparation of the general-purpose financial report and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general-purpose financial report, the Board are responsible for assessing Utilities Disputes Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the entity or to cease operations or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General-Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole and the service performance information 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 conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this general-purpose financial report.

A further description of the auditor's responsibilities for the audit of the general-purpose financial report is located at the XRB's website at

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

This report is made solely to the shareholders of Utilities Disputes Limited. Our audit has been undertaken so that we might state to the shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders, for our audit work, for this report, or for the opinions we have formed.



Moore Markhams Wellington Audit | Qualified Auditors, Wellington, New Zealand
19 June 2025